

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4861-01  
Bill No.: SB 1399  
Subject: Insurance - Medical; Employees - Employers  
Type: Original  
Date: March 30, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan** and **Department of Insurance** assume the proposal will have no fiscal impact on their organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

#### FISCAL IMPACT - Small Business

This proposal would have a direct fiscal impact on those small business employers who elect to discontinue a health benefit plan

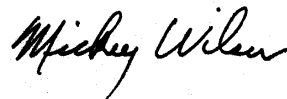
## DESCRIPTION

This proposal allows small employer health benefit plans to be nonrenewed if the small employer carrier elects to discontinue a health benefit plan as part of a plan of administrative simplification provided that the small employer carrier, through itself or an affiliated carrier, guarantees issue of another health benefit plan in a similar class of business to those eligible employees and dependents covered under the discontinued plan. Further the small employer carrier, or its affiliated carrier providing such guaranteed issue, must treat the impacted eligible employees and dependents as if they had continuous coverage from the date that they first became covered under the discontinued plan.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

## SOURCES OF INFORMATION

Missouri Consolidated Health Care Plan  
Department of Insurance



Mickey Wilson, CPA  
Director  
March 30, 2004